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FISCAL IMPACT STATEMENT

LS 6674

BILL NUMBER: HB 1352

NOTE PREPARED: Feb 6, 2009

BILL AMENDED: Feb 5, 2009

SUBJECT: The Climate Registry.

FIRST AUTHOR: Rep. Dvorak

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires the state of Indiana to become a member of and participate in the Climate Registry concerning greenhouse gas emissions reporting and reduction. It requires the Governor or the Governor's designee to sign the Climate Registry's statement of principles and goals to become a member of the Climate Registry and deliver a copy of the signed statement to the Climate Registry before July 1, 2009.

The bill also establishes an exception to the registry membership requirement if a petition of opposition is submitted to the Governor by the majority of the local economic development commissions in the state. It allows the Governor to withdraw the state from the registry if the Governor determines that membership causes a loss of jobs or missed opportunities for jobs.

Effective Date: Upon passage.

Explanation of State Expenditures: To join the Climate Registry, Indiana would be subject to a \$35,000 voluntary contribution which is based on population. Other costs would involve an estimated ½ staff time to participate in at least one committee and board meeting. It is estimated that the staff person would have to be involved in three to five conference calls a year and two board meetings. With respect to the board meetings, one is a conference call in January and one requires the member to go to Chicago in June. Expenses to attend the meeting in Chicago are estimated at less than \$1,000.

It is presumed that IDEM could cover costs for participation given its existing levels of resources. The State Personnel Department staffing report indicated that, as of December 15, 2008, the Department of Environmental Management (IDEM) had 47 vacant positions with salaries totaling \$1.7 M. Of the 47 vacant

positions, 41 had been vacant for a year or less. For FY 2008, IDEM reverted over \$5.9 M in state General Fund revenues. Total reversions for all funds equaled \$14.4 M.

(Revised) Background: As of December 2008, 40 states and 10 Canadian provinces had joined the Climate Registry. All states surrounding Indiana have joined. The Registry is a collaboration among states, provinces, and tribes aimed at developing and managing a common greenhouse gas emissions reporting system and reduction policies.

The state would agree to work with the Climate Registry to establish and endorse a voluntary entity-wide greenhouse gas emissions reporting and verification system and will encourage entities to voluntarily report their emissions. Staff at IDEM would work with the Climate Registry to identify a set of greenhouse gas emissions minimum data quantification standards to be recognized by member states and tribes in both voluntary and mandatory reporting and emissions reduction programs; and work to incorporate these minimum data quantification standards into any mandated greenhouse gas reporting and emissions reduction program. The staff person would review documents of the committee and assist in the recruitment of participants. Currently, in Indiana, Subaru participates in the work of the registry.

The bill establishes an exception to the registry membership requirement if a petition of opposition is submitted to the Governor by the majority of the local economic development commissions in the state. As of 2007, 116 commissions existed in the state.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected:

Information Sources: Ann McCabe, Regional Director, Midwest, Climate Registry, 312.952.9487; Climate Registry website: <http://www.theclimateregistry.org>; Indiana State Personnel Staffing Report; http://www.in.gov/ifa/files/2007_EDC_Report.pdf.

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